

Senate Amendment 5263

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1 1 Amend House File 2262, as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. Page 29, by inserting after line 5 the
1 4 following:
1 5
1 6 MISCELLANEOUS PROVISIONS
1 7 Sec. _____. NEW SECTION. 70A.17B PAYROLL DEDUCTION
1 8 FOR ADDITIONAL INSURANCE COVERAGE.
1 9 1. The state officer in charge of any of the state
1 10 payroll systems shall deduct from the wages or
1 11 salaries of a state officer or employee an amount
1 12 specified by the officer or employee for payment to
1 13 any company authorized to do business in this state
1 14 for the purpose of purchasing insurance if all of the
1 15 following conditions are met:
1 16 a. At least five hundred state officers or
1 17 employees request the deduction to purchase insurance
1 18 from the same company.
1 19 b. The request for the payroll deduction is made
1 20 by the state officer or employee in writing to the
1 21 officer in charge of the program.
1 22 c. The pay period during which the deduction is
1 23 made, the frequency, and the amount of the deduction
1 24 are compatible with the payroll system.
1 25 d. The insurance coverage to be purchased is not
1 26 provided by the state.
1 27 e. The company providing the insurance enters into
1 28 a written agreement with the state delineating each
1 29 party's rights and responsibilities.
1 30 2. The moneys deducted under this section shall be
1 31 paid to the company designated by the requesting state
1 32 officers or employees. The deduction may be made even
1 33 though the compensation paid to an officer or employee
1 34 is reduced to an amount below the minimum prescribed
1 35 by law. Payment to an officer or employee of
1 36 compensation less the deduction shall constitute a
1 37 full discharge of claims and demands for services
1 38 rendered by the officer or employee during the period
1 39 covered by the payment. The request for the deduction
1 40 may be withdrawn at any time by filing a written
1 41 notification of withdrawal with the state officer in
1 42 charge of any of the state payroll systems.
1 43 3. The department of administrative services
1 44 reserves the right to terminate an insurance company's
1 45 participation in the program if the department
1 46 receives complaints regarding the actions of the
1 47 insurance company or its agents in relation to the
1 48 program and such termination would be in the best
1 49 interest of the state officers and employees, the
1 50 department makes a determination that the insurance
2 1 company has engaged in a pattern or practice of
2 2 unfair, misleading, or fraudulent acts and such
2 3 termination would be in the best interest of the state
2 4 officers and employees, or the commissioner of
2 5 insurance determines that the company has engaged in
2 6 practices that would otherwise disqualify the company
2 7 from providing insurance coverage in Iowa.
2 8 4. The department is authorized to establish and
2 9 collect an administrative fee as deemed necessary and
2 10 appropriate in an amount not to exceed the state's
2 11 actual cost of providing the payroll deduction
2 12 service.
2 13 #2. Title page, line 1, by inserting after the
2 14 words the following: 2 15 employee benefit related matters>.
2 16 #3. By renumbering as necessary.
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2 20 _____
2 20 JOHN P. KIBBIE
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2 24 _____
2 24 MARK ZIEMAN
2 25 HF 2262.204 80
2 26 ec/sh

